OFFERING CIRCULAR

Clarion County Community Bank
100,000 Shares

Common Stock, Par Value $1.00 Per Share

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

This offering circular relates to shares of common stock, par value $1.00 per share, of Clarion County Community Bank, a Pennsylvania-chartered bank (the "Bank"), which may be offered and sold from time to time pursuant to the terms of the Clarion County Community Bank Dividend Reinvestment and Stock Purchase Plan (the "Plan").

The Plan provides participants with a convenient method for investing cash dividends paid on our common stock in additional shares of our common stock. Eligible participants also will be able to buy additional shares with optional cash payments (maximum: $5,000 per quarter).

Shares of common stock needed for the Plan may be purchased (i) in the open market, (ii) directly from the Bank from authorized but unissued shares, or (iii) directly from the Bank from its treasury shares.

Shares of our common stock are traded on the OTC markets under the symbol "CCYY." The closing price of our common stock on September 30, 2014, was $5.65.

You may enroll in the Dividend Reinvestment and Stock Purchase Plan by completing the enclosed Enrollment Form and returning it to the plan administrator. We have appointed our stock transfer agent, Philadelphia Stock Transfer, Inc., to serve as the plan administrator.

We have authorized 100,000 shares of our common stock for sale under the Plan. You should keep this offering circular for future reference.

Investing in our common stock involves risks. You should carefully consider the risks, including those described in this offering circular. See "Risk Factors" on page 5.

Neither the Pennsylvania Department of Banking and Securities nor any other federal or state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this offering circular. Any representation to the contrary is a criminal offense.

The shares offered are our equity securities and are not savings accounts, deposits or other obligations of the Bank and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other government agency.

The date of this offering circular is September 30, 2014

OFFERING CIRCULAR

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We have not authorized anyone to provide you with information that is different from what is contained in this offering circular. The Plan is not available to any person to whom we may not legally offer it. The date of this offering circular is September 30, 2014. You should not assume that the information in this offering circular is still accurate as of any later date.

ABOUT THIS OFFERING CIRCULAR

This document is called an offering circular, and it relates to the offer and sale of shares of our common stock to participants in our Dividend Reinvestment and Stock Purchase Plan. This offering circular provides you with the terms of the Plan. Please read this offering circular carefully.

When acquiring any securities discussed in this offering circular, you should rely only on the information provided in this offering circular. We have not authorized anyone to provide you with different information. You should not assume that the information in this offering circular is truthful or complete at any date other than the date mentioned on the cover page of this offering circular. See "Where You Can Find More Information" herein.

Unless otherwise mentioned or unless the context requires otherwise, all references in this offering circular to "we," "us," "our" or similar references mean Clarion County Community Bank.

FORWARD-LOOKING STATEMENTS

In addition to historical information, this offering circular contains forward-looking statements. Forward-looking statements are typically identified by words or phrases such as "believe," "expect," "anticipate," "intend," "estimate," "project" and variations of such words and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" or similar expressions. The U.S. Private Securities Litigation Reform Act of 1995 provides a safe harbor in regard to the inclusion of forward-looking statements in this offering circular.

You should note that many factors could affect our future financial results and could cause those results to differ materially from those expressed in the forward-looking statements contained in this offering circular. These factors include, but are not limited, to the following:

- Volatility in interest rates and shape of the yield curve;
- Credit risk;
- Liquidity risk;
- Operating, legal and regulatory risks;
- Economic, political and competitive forces affecting our banking business;
- The risk that the Federal Deposit Insurance Corporation ("FDIC") could levy additional insurance assessments on all insured institutions in order to replenish the Deposit Insurance Fund based on the level of bank failures in the future;
- The risk that the analysis of these risks and forces could be incorrect, and/or that the strategies developed to address them could be unsuccessful; and
- The risks set forth in this offering circular under "Risk Factors."

We caution that these forward-looking statements are subject to numerous assumptions, risks and uncertainties, all of which change over time, and we assume no duty to update forward-looking statements. We caution readers not to place undue reliance on any forward-looking statements. These statements speak only as of the date of this offering circular, even if subsequently made available by us on our web site or otherwise, and we advise readers that various factors, including those described above, could affect our financial performance and could cause actual results or circumstances for future periods to differ materially from those anticipated or projected. Except as required by law, we do not undertake, and specifically disclaim any obligation, to publicly release any revisions to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

SUMMARY

This offering circular describes how you can invest the dividends you receive on your shares of Bank common stock or otherwise purchase shares of our common stock pursuant to the optional cash investment feature of the Plan.

The Bank. The Bank is based in Clarion, Pennsylvania and provides full banking services. As a Pennsylvania bank, the Bank is subject to supervision and examination by the Pennsylvania Department of Banking and Securities and the Federal Deposit Insurance Corporation (the "FDIC"). The Bank operates three full-service community banking offices in Clarion, New Bethlehem, and Rimersburg, Pennsylvania, and a loan production office in Franklin, Pennsylvania. Our main office is located at 333 W. Main Street, Clarion, PA 16214, and our telephone number is 814-226-6000.

Enrollment. Existing shareholders of record who hold 25 or more shares of our common stock can participate by submitting a completed Enrollment Form. Shareholders who do not hold of record 25 or more shares, but hold 25 or more shares of our common stock in a brokerage account may not participate in the Plan unless and until they hold of record 25 or more shares. Shareholders who hold less than 25 shares of our common stock may not participate in the plan unless and until they hold 25 or more shares. In general, there is no fee for existing shareholders to participate under the Plan, unless circumstances warrant an additional charge by the Plan Administrator. The Enrollment Form may be submitted to Philadelphia Stock Transfer, Inc., Ardmore, Pennsylvania, our stock transfer agent, who is also the current Plan Administrator.

Reinvestment of Dividends. You can reinvest all or a portion of your cash dividends towards the purchase of additional shares of the Bank's common stock.

Optional Cash Investments. After you are enrolled in the Plan, you can also purchase additional shares through optional cash contributions. You can invest a minimum of $100 at any one time, up to a maximum of $5,000 in any calendar quarter. You can pay by check or, if permitted by the Plan Administrator, have your payment automatically withdrawn from your bank account as a one time or ongoing quarterly debit.

Purchase Price. The purchase price for shares purchased under the Plan will be equal to the average price paid for all shares purchased by the Plan Administrator if the shares are purchased in the open market, and with respect to shares purchased directly from the Bank, the purchase price will be equal to the last sales price for the common stock on the over the counter market through the close of business on the day prior to the relevant purchase date. The Bank will bear the cost of all brokerage fees and commissions on purchases under the Plan.

Tracking Your Investment. You will receive a Plan statement or a written notification after each purchase of shares under the Plan. These statements will provide the details of the transaction and show the balance of shares and any cash in your Plan account. You can verify your account balance, change your dividend election or request a statement at any time through the Plan Administrator.

RISK FACTORS

There are risks and uncertainties involved with an investment in shares of our common stock. When analyzing an investment in our common stock, the risks and uncertainties described below, together with all of the other information included in this offering circular, should be carefully considered. This list should not be viewed as comprehensive and may not include all risks that may affect the Bank's financial performance.

Risks Related to Our Common Stock

Our common stock is not an insured deposit.

Our common stock is not an insured deposit and, therefore, is not insured against loss by the Federal Deposit Insurance Corporation (the "FDIC"), any other deposit insurance fund, or any other public or private entity. Investment in our common stock is inherently risky and is subject to the same market forces that affect the price of securities of other companies. As a result, if you purchase our common stock, you may lose some or all of your investment.

The Bank's stock is thinly traded, which could negatively affect the fair market value of the Bank's stock and your ability to sell your shares if you need to do so in a short period of time.

The Bank's common stock (OTCQB:CCYY) is thinly traded. There can be no assurance that a regular and active market for the Common Stock will develop in the foreseeable future. This lack of liquidity, along with fluctuations in the stock market, could negatively affect the fair market value of the Bank's stock. In light of the foregoing, investors in our common stock may be required to assume the risk of their investment for an indefinite period of time.

The shares being offered have not been registered with the Securities and Exchange Commission (the "SEC") or any state securities commission, and neither the SEC nor the Pennsylvania Department of Banking and Securities has passed upon the accuracy or adequacy of the information we have provided to you.

The offer and sale of the Bank's common stock pursuant to this offering have not been and will not be registered under the Securities Act of 1933, as amended, or the securities acts of any state. Thus, prospective investors cannot rely upon the SEC, any state securities commission, or the Pennsylvania Department of Banking and Securities having reviewed the adequacy of the disclosure in this offering circular of risks involved in investing in our common stock. Accordingly, prospective investors must recognize that they do not necessarily have the same protection that would be afforded by registration of this transaction under applicable federal law, and they must judge the adequacy of disclosure without the benefit of such review by the SEC or such other regulators.

As the Bank raises capital in the future, your ownership interest in the Bank will be diluted.

The Bank may need or choose to raise additional capital in the future through the issuance of capital securities, including shares of common stock. Additional issuances by the Bank of its common stock may result in dilution to the ownership interests of the Bank's current shareholders, including purchasers of shares through the Plan.

"Anti-takeover" provisions contained in our Articles of Incorporation and Bylaws may keep shareholders from receiving a premium for their shares.

The Articles of Incorporation and Bylaws of the Bank presently contain certain provisions that may be deemed to be "anti-takeover" in nature in that such provisions may deter, discourage or make more difficult the assumption of control of the Bank by another corporation or person through a tender offer, merger, proxy contest or similar transaction or series of transactions. The overall effects of the "anti-takeover" provisions may be to discourage, make more costly or more difficult, or prevent a future takeover offer, thereby preventing shareholders from receiving a premium for their securities in a takeover offer. These provisions may also increase the possibility that a future bidder for control of the Bank will be required to act through arms-length negotiation with the Bank's Board of Directors.

As a participant in the Plan, your cash dividends will be reinvested in our common stock, but you will still be responsible for payment of income taxes with respect to the dividends.

While you are a participant in the plan, your cash dividend will be reinvested in our common stock. You will still be required to report, and pay income taxes on, the amount of the dividend. However, you will not have available to you the cash you would have otherwise received through the dividend and, therefore, you will need to pay the taxes due from another source of funds.

Our Bylaws provide for the indemnification of directors, officers, and employees and limit the liability of directors.

Our Bylaws contain provisions limiting the liability of our directors in connection with any actions they take as directors. Such provisions can have, as one significant effect, the loss to the Bank and its shareholders of a cause of action against the directors for monetary damages. Causes of action for self-dealing, willful misconduct or recklessness and claims for non-monetary relief, however, generally are unaffected by such provisions. The restriction on monetary liability can discourage derivative litigation seeking such relief and, in the case of claims having merit, could reduce the recovery by the Bank of monetary damages. One of the significant effects of the indemnification provisions in the Bylaws is to authorize indemnification against judgments and settlements in a shareholder derivative suit. As a result, damages assessed against a director that would be paid to the Bank would be at least reduced by the indemnification amounts owed by the Bank to such persons. Accordingly, the Bank will not receive any net benefit from such awards or settlement amounts and, except to the extent of any proceeds received under the Bank's Directors and Officers' Liability Insurance Policy, could incur a loss after indemnification payments are made. Management believes, however, that these

provisions are appropriate because any such possible economic loss to the Bank could be offset by a possible reduction in the cost to the Bank of defending baseless litigation, which also could be discouraged by the same provisions of the bylaws.

Risks Related to Our Business

*Changes in Interest Rates May Hurt our Profits and Asset Values***.**

Our earnings largely depend on our net interest income, which could be negatively affected by changes in interest rates. Net interest income is the difference between the interest income we earn on our interest-earning assets, such as loans and securities, and the interest expense we pay on our interest-bearing liabilities, such as deposits and borrowings.

The rates we earn on our assets and the rates we pay on our liabilities are generally fixed for a contractual period of time. While we have taken steps to attempt to reduce our exposure to increases in interest rates, historically our liabilities generally have shorter contractual maturities than our assets. This imbalance can create significant earnings volatility, because market interest rates change over time. In a period of rising interest rates, the interest income earned on our assets may not increase as rapidly as the interest paid on our liabilities. However, in a period of falling interest rates, the interest expense paid on our liabilities may decrease more rapidly than the interest income received on our assets.

In addition, changes in interest rates can affect the average life of loans and mortgage-backed securities. A reduction in interest rates causes increased prepayments of loans and mortgage-backed securities as borrowers tend to refinance their debt to reduce their borrowing costs. This creates reinvestment risk, which is the risk that we may not be able to reinvest the funds from faster prepayments at rates that are comparable to the rates we earned on the prepaid loans or securities. Additionally, increases in interest rates may decrease loan demand and/or make it more difficult for borrowers to repay adjustable-rate loans.

Changes in interest rates also affect the current market value of our interest-earning securities portfolio. Generally, the value of securities moves inversely with changes in interest rates. At June 30, 2014, the fair value of our total securities portfolio was $20.4 million. The unrealized net loss on securities totaled $387,000 on a pre-tax basis at June 30, 2014.

We evaluate interest rate sensitivity using models that estimate the change in the Bank's net interest income over a range of interest rate scenarios. At June 30, 2014, in the event of an immediate 200 basis point increase in interest rates, the model projects that we would experience a $43,000, or 1.0%, increase in net interest income in the first year following the change in interest rates, and a $79,000, or 1.8%, increase in net interest income in the second year following the change in interest rates. At June 30, 2014, in the event of an immediate 100 basis point decrease in interest rates, the model projects that we would experience a $110,000, or 2.5%, decrease in net interest income in the first year following the change in interest rates, and a $290,000, or 6.5%, decrease in net interest income in the second year following the change in interest rates.

At June 30, 2014, our available-for-sale securities portfolio totaled $20.8 million. To the extent interest rates increase and the value of our available-for-sale portfolio decreases, our stockholders' equity will be adversely affected.

Our business may be adversely affected by credit risk associated with residential property.

As of June 30, 2014, residential mortgage loans totaled $50.0 million, or 55.3% of total loans. We had $600,000 of non-accrual residential mortgage loans as of June 30, 2014, representing 70.0% of total non-accrual loans as of that date. This type of lending is generally sensitive to regional and local economic conditions that may significantly affect the ability of borrowers to meet their loan payment obligations, making loss levels difficult to predict. The decline in residential real estate values since 2008 resulting from the downturn in the Western Pennsylvania housing markets has reduced the value of the real estate collateral securing the majority of our loans and has increased the risk that we would incur losses if borrowers default on their loans. A decline in both the volume of real estate sales and the sales prices, coupled with a worsening of economic conditions and the associated increases in unemployment rates, may result in higher loan delinquencies or problem assets, a decline in demand for our products and services, or a decrease in our deposits. These potential negative events may cause us to incur losses which would adversely affect our capital and liquidity and damage our financial condition and business operations. These declines may have a greater impact on our earnings and capital than on the earnings and capital of financial institutions that have more diversified loan portfolios.

We have a concentration of credit exposure in commercial real estate and a downturn in commercial real estate could adversely affect our business, financial condition, and results of operations.

Approximately 20.1% of our loan portfolio is secured by commercial real estate. Loans secured by commercial real estate are generally viewed as having more risk of default than loans secured by residential real estate or consumer loans because repayment of the loans often depends on the successful operation of the property, the income stream of the borrowers, the accuracy of the estimate of the property's value at completion of construction, and the estimated cost of construction. An adverse development with respect to one lending relationship can expose us to a significantly greater risk of loss compared with a single-family residential mortgage loan because we typically have more than one loan with such borrowers. Additionally, these loans typically involve larger loan balances to single borrowers or groups of related borrowers compared with single-family residential mortgage loans. Therefore, the deterioration of one or a few of these loans could cause a significant decline in the related asset quality. In the event of any general economic slowdown, these loans represent higher risk and could result in a sharp increase in loans charged-off and could require us to significantly increase our allowance for loan losses, which could have a material adverse impact on our business, financial condition, results of operations, and cash flows.

Our allowance for loan losses may not be adequate to cover actual future losses.

Like all financial institutions, we maintain an allowance for loan losses to provide for loan defaults and nonperformance. Our allowance for loan losses may not be adequate to cover actual losses, and future provisions for loan losses could materially and adversely affect the results of our operations. Risks within the loan portfolio are analyzed on a continuous basis by management and, periodically, by an independent loan review function and by the board of directors. A risk system, consisting of multiple-grading categories, is utilized as an analytical tool to assess risk and the appropriate level of loss reserves. Along with the risk system, management further evaluates risk characteristics of the loan portfolio under current economic conditions and considers such factors as the financial condition of the borrowers, past and expected loan loss experience and other factors management feels deserve recognition in establishing an adequate reserve. This risk assessment process is performed at least quarterly and as adjustments become necessary, they are realized in the periods in which they become known. The amount of future losses is susceptible to changes in economic, operating and other conditions, including changes in interest rates that may be beyond our control, and these losses may exceed current estimates. State and federal regulatory agencies, as an integral part of their examination process, review our loans and allowance for loan losses and have in the past required an increase in our allowance for loan losses. Although we believe that our allowance for loan losses is adequate to cover probable and reasonably estimated losses, we cannot assure you that we will not further increase the allowance for loan losses or that our regulators will not require us to increase this allowance. Either of these occurrences would adversely affect our earnings.

We extend credit to a variety of customers based on internally established standards and judgment. We manage credit risk through a program of underwriting standards, the review of certain credit decisions and an on-going process of assessment of the quality of the credit already extended. Our credit standards and on-going process of credit assessment might not protect us from significant credit losses.

We take credit risk by virtue of making loans, extending loan commitments and letters of credit (and, to a lesser degree, purchasing non-governmental securities). We manage our exposure to credit risk through the use of consistent underwriting standards that emphasize "in-market" lending while avoiding highly leveraged transactions as well as excessive industry and other concentrations. We employ risk management techniques to ensure that loans adhere to corporate policy and problem loans are promptly identified. While these procedures are designed to provide us with the information needed to implement policy adjustments where necessary, and to take proactive corrective actions, there can be no assurance that such measures will be effective in avoiding undue credit risk.

Changes in economic and political conditions could adversely affect our earnings.

Our success depends, to a certain extent, upon economic and political conditions, local and national, as well as governmental monetary policies. Conditions such as inflation, recession, unemployment, changes in interest rates, money supply and other factors beyond our control may adversely affect our asset quality, deposit levels and loan demand and, therefore, our

earnings. Because we have a significant amount of real estate loans, additional decreases in real estate values could adversely affect the value of property used as collateral and our ability to sell the collateral upon foreclosure. Adverse changes in the economy may also have a negative effect on the ability of our borrowers to make timely repayments of their loans, which would have an adverse impact on our earnings. If during a period of reduced real estate values we are required to liquidate the collateral securing a loan to satisfy the debt or to increase our allowance for loan losses, it could materially reduce our profitability and adversely affect our financial condition. The substantial majority of our loans are to individuals and businesses in Clarion, Venango and Northern Armstrong Counties in Western Pennsylvania, as well as surrounding areas. Consequently, significant declines in the economy in our lending area could have a materially adverse effect on our financial condition and results of operations.

Our earnings may not grow if we are unable to successfully attract loans and core deposits and exploit opportunities to generate fee-based income.

Historically, the growth of our loans and deposits has been the principal factor in our increase in net-interest income. In the event that we are unable to grow our loans and deposits, our earnings could be adversely impacted. Our ability to continue to grow depends, in part, upon our ability to expand our market share, to identify and capitalize on loan and investment opportunities, as well as opportunities to generate fee-based income, and to successfully attract core deposits. Our ability to manage growth successfully will also depend on whether we can maintain asset quality and cost controls, as well as on factors beyond our control, such as economic conditions and interest-rate trends.

We are subject to extensive government regulation and supervision.

We are subject to extensive federal and state regulation and supervision. Banking regulations are primarily intended to protect depositors' funds, federal deposit insurance funds and the banking system as a whole, not shareholders. These regulations affect our lending practices, capital structure, investment practices, dividend policy and growth, among other things. Congress, the Commonwealth of Pennsylvania and federal regulatory agencies continually review banking and insurance laws, regulations and policies for areas warranting changes. Changes to statutes, regulations or regulatory policies, including changes in interpretation or implementation of statutes, regulations or policies, could affect us in substantial and unpredictable ways. Such changes could subject us to additional costs, limit the types of financial services and products we may offer and/or increase the ability of non-banks to offer competing financial services and products, among other things. Failure to comply with laws, regulations or policies could result in sanctions by regulatory agencies, civil money penalties, private lawsuits, and/or reputation damage, which could have a material adverse effect on our business, financial condition and results of operations. While we have policies and procedures designed to prevent any such violations, there can be no assurance that such violations will not occur.

Compliance with the Dodd-Frank Act will alter the regulatory regime to which we are subject, and may increase our costs of operations and adversely impact our business.

The Dodd Frank Wall Street Reform and Consumer Protection Act, or the Dodd Frank Act, represents a significant overhaul of many aspects of the regulation of the financial-services industry. Among other things, the Dodd Frank Act creates a new federal Consumer Financial Protection Bureau, or CFPB, tightens capital standards, and generally increases oversight and regulation of financial institutions and financial activities.

The CFPB has broad rule-making authority for a wide range of consumer protection laws that apply to all banks and savings institutions, including the authority to prohibit "unfair, deceptive or abusive" acts and practices. The CFPB has examination and enforcement authority over all banks and savings institutions with more than $10 billion in assets. Financial institutions such as the Bank with less than $10 billion in assets will continue to be examined for compliance with the consumer laws by their primary bank regulators, but are subject to the rules of the CFPB.

In addition to the self-implementing provisions of the statute, the Dodd-Frank Act calls for over 200 administrative rulemakings by various federal agencies to implement various parts of the legislation. While some rules have been finalized and/or issued in proposed form, there are still some yet to be proposed. It is impossible to predict when all such additional rules will be issued or finalized, and what the content of such rules will be. We will have to apply resources to ensure that we are in compliance with all applicable provisions of the Dodd-Frank Act and any implementing rules, which may increase our costs of operations and adversely impact our earnings. The Dodd-Frank Act and any implementing rules that are ultimately issued could have adverse implications on the financial industry, the competitive environment, and our ability to conduct business.

The short-term and long-term impact of the changing regulatory capital requirements and new capital rules is uncertain and could adversely affect us.

Effective January 1, 2015, we will be subject to new capital requirements under regulations adopted by the federal banking regulators to implement the Basel III regulatory capital reforms and changes required by the Dodd-Frank Act. These new requirements establish the following minimum capital ratios: (1) a common equity Tier 1 ("CET1") capital ratio of 4.5% of risk-weighted assets; (2) a Tier 1 capital ratio of 6.0% of risk-weighted assets; (3) a total capital ratio of 8.0% of risk-weighted assets; and (4) a leverage ratio of 4.0%. In addition, there is a new requirement to maintain a capital conservation buffer, comprised of CET1 capital, in an amount greater than 2.5% of risk-weighted assets over the minimum capital required by each of the minimum risk-based capital ratios in order to avoid limitations on the organization's ability to pay dividends, repurchase shares or pay discretionary bonuses. The capital conservation buffer requirement will be phased in, beginning January 1, 2016, requiring during 2016 a buffer amount greater than 0.625% in order to avoid these limitations, and increasing the amount each year until beginning January 1, 2019, when the buffer amount must be greater than 2.5% in order to avoid the limitations.

The new regulations also change what qualifies as capital for purposes of meeting these various capital requirements, as well as the risk-weighting of certain assets for purposes of the risk-based capital ratios.

Under the new regulations, in order to be considered well-capitalized for prompt corrective action purposes, the Bank will be required to maintain the following ratios: (1) a CET1 ratio of at least 6.5% of risk-weighted assets; (2) a Tier 1 capital ratio of at least 8.0% of risk-weighted assets; (3) a total capital ratio of a least 10.0% of risk-weighted assets; and (4) a leverage ratio of at least 5.0%.

We have conducted a pro forma analysis of these new requirements as of June 30, 2014. Under that scenario, we have determined that if these requirements were in effect on that date, the Bank would be considered well-capitalized and the Bank would have a capital conservation buffer greater than 2.5%.

The application of these more stringent capital requirements could, among other things, result in lower returns on invested capital, over time require the raising of additional capital, and result in regulatory actions if we were to be unable to comply with such requirements. Implementation of changes to asset risk weightings for risk based capital calculations, items included or deducted in calculating regulatory capital and/or additional capital conservation buffers could result in management modifying its business strategy. Furthermore, the imposition of liquidity requirements in connection with the implementation of Basel III could result in our having to lengthen the term of our funding, restructure our business models, and/or increase our holdings of liquid assets. Any additional changes in our regulation and oversight, in the form of new laws, rules and regulations could make compliance more difficult or expensive or otherwise materially adversely affect our business, financial condition or prospects.

We cannot predict the effect on our operations of any future legislative or regulatory initiatives.

The laws that regulate our operations are designed for the protection of depositors and the public, but not our shareholders. The federal and state laws and regulations applicable to our operations give regulatory authorities extensive discretion in connection with their supervisory and enforcement responsibilities and generally have been promulgated to protect depositors and the deposit insurance funds and to foster economic growth and not for the purpose of protecting shareholders. These laws and regulations can materially affect our future business. Laws and regulations now affecting us may be changed at any time, and the interpretation of such laws and regulations by bank regulatory authorities is also subject to change. We can give no assurance that future changes in laws and regulations or changes in their interpretation will not adversely affect our business.

We cannot predict what, if any, additional legislative or regulatory initiatives any governmental entity may undertake in the future, and what, if any, effects such initiatives may have on our operations.

Impairment of investment securities, goodwill, other intangible assets, or deferred tax assets could require charges to earnings, which could result in a negative impact on our results of operations.

In assessing the impairment of investment securities, we consider the length of time and extent to which the fair value has been less than cost, the financial condition and near-term prospects of the issuer, whether the market decline was affected by macroeconomic conditions, and whether we have the intent to sell the debt security or will be required to sell the debt security before its anticipated recovery. Under current accounting standards, goodwill and certain other intangible assets with indeterminate lives are no longer amortized but, instead, are assessed for impairment periodically or when impairment indicators are present. Assessment of goodwill and such other intangible assets could result in circumstances where the applicable intangible asset is deemed to be impaired for accounting purposes. Under such circumstances, the intangible asset's impairment would be reflected as a charge to earnings in the period. Deferred tax assets are only recognized to the extent it is more likely than not they will be realized. Should our management determine it is not more likely than not that the deferred tax assets will be realized, a valuation allowance with a change to earnings would be reflected in the period.

If the Bank fails to maintain an effective system of internal control, it may not be able to accurately report its financial results or prevent fraud. As a result, current and potential shareholders could lose confidence in the Bank's financial reporting, which could harm our business and the trading price of our common stock.

If the Bank fails to meet the expectations of investors with respect to the design or operating effectiveness of our internal control over financial reporting or falls to prevent fraud, current and potential shareholders could lose confidence in the Bank's financial reporting, which could harm our business and the trading price of our common stock.

Changes in accounting standards may adversely impact our results of operation.

Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations. From time to time the Financial Accounting Standards Board ("FASB") changes the financial accounting and reporting standards that govern the preparation of our financial statements. These changes can be hard to predict and can materially impact how we record and report our financial condition and results of operations. In some cases, we could be required to apply a new or revised standard retroactively, resulting in a restatement of our prior period financial statements.

We face strong competition for customers, which could prevent us from obtaining customers and may cause us to pay higher interest rates to attract customers.

The banking business is highly competitive, and we experience competition in our market from many other financial institutions. We compete with commercial banks, credit unions, savings and loan associations, mortgage banking firms, consumer finance companies, securities brokerage firms, insurance companies, money market funds, and other mutual funds, as well as

other super-regional, national, and international financial institutions that operate offices in our primary market areas and elsewhere. We compete with these institutions both in attracting deposits and in making loans. In addition, we have to attract our customer base from other existing financial institutions and from new residents. Many of our competitors are well-established, larger financial institutions. These institutions offer some services, such as extensive and established branch networks, that we do not provide. There is a risk that we will not be able to compete successfully with other financial institutions in our market, and that we may have to pay higher interest rates to attract deposits, resulting in reduced profitability. In addition, competitors that are not depository institutions are generally not subject to the extensive regulations that apply to us.

Our failure to keep up with technological advances within our industry could result in our being less efficient and less effective in attracting customers to our business model.

The market for financial services is increasingly affected by advances in technology, including developments in telecommunications, data processing, computers, automation, Internet-based banking and telebanking. Our ability to compete successfully in our markets may depend on the extent to which we are able to exploit such technological changes. However, we can provide no assurance that we will be able to properly or timely anticipate or implement such technologies or property train our staff to use such technologies. Any failure to adapt to new technologies could adversely affect our business, financial condition or operating results.

We may not be able to attract and retain skilled people.

Our success depends, in large part, on our ability to attract and retain key people. Competition for the best people in most activities in which we engage can be intense, and we may not be able to retain or hire the people we want or need. In order to attract and retain qualified employees, we must compensate our employees at market levels. If we are unable to continue to attract and retain qualified employees, or do so at rates necessary to maintain our competitive position, our performance, including our competitive position, could suffer, and, in turn, adversely affect our business, financial condition and results of operations.

The soundness of other financial institutions could adversely affect us.

Our ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. We have exposure to many different industries and counterparties, and we routinely execute transactions with counterparties in the financial services industry. As a result, defaults by, or even rumors or questions about, one or more financial services institutions, or the financial services industry generally, have led to market-wide liquidity problems and could lead to losses or defaults by us or by other institutions. Many of these transactions expose us to credit risk in the event of default of our counterparty or client. In addition, our credit risk may be exacerbated when the collateral that we hold cannot be realized upon or is liquidated at prices insufficient to recover the full amount of the loan. We cannot assure you that any such losses would not materially and adversely affect our business, financial condition or results of operations.

We are subject to the risk of third-party failures to meet contractual and other obligations to the Bank, which could adversely impact our operations.

Third parties provide key components of the business infrastructure such as Internet connections and network access. Any disruption in Internet, network access or other voice or data communication services provided by these third parties or any failure of these third parties to handle current or higher volumes of use could affect adversely our ability to deliver products and services to clients and otherwise to conduct business. Technological or financial difficulties of a third-party service provider could affect adversely our business to the extent those difficulties result in the interruption or discontinuation of services provided by that party.

USE OF PROCEEDS

To the extent shares of common stock purchased by participants under the Plan are purchased by the Plan Administrator on the open market, there will be no proceeds to us from the purchase of shares. The net proceeds to us from the sale of newly issued shares of common stock (or from treasury shares) issued under the Plan will be used for general corporate purposes, which may include investments or extensions of credit to customers. The precise amounts and timing of the application of net proceeds will depend upon our funding requirements and availability of other funds. We do not know precisely the number of shares that may ultimately be sold pursuant to the Plan or the prices at which these shares will be sold, and therefore we cannot determine the amount of proceeds that will be generated.

DIVIDENDS

The Bank paid its first cash dividend on its common stock in December 2012, and then another in December 2013. We expect to pay future cash dividends annually at the discretion of the Board of Directors. Any decision to pay a cash dividend in the future must necessarily depend upon the earnings and financial condition of the Bank and regulatory requirements, legal restrictions, and other factors relevant at the time the Board of Directors considers its dividend policy.

Under the Pennsylvania Banking Code of 1965, dividends may only be paid out of accumulated net earnings, and the Bank may not pay a dividend unless any transfer of net earnings to surplus required by the Banking Code has been made prior to the declaration of the dividend, and the surplus of the Bank would not be reduced by the payment of the dividend. See “Supervision and Regulation of the Bank.”

MARKET FOR COMMON STOCK

Our common stock is quoted on the OTC markets under the symbol “CCYY.” However, an active market for our common stock does not exist, and none is expected to develop for the foreseeable future. Our common stock trades on a very limited basis in the over-the-counter market. There is no assurance that an active or liquid trading market will ever develop. We presently have no intention to have our common stock listed on a national securities exchange.

DESCRIPTION OF THE PLAN

The Plan was adopted by our Board of Directors on November 21, 2013. The Plan will be in effect until amended, altered, or terminated. We have reserved 100,000 shares of our common stock for issuance and sale under the Plan pursuant to this offering circular. The Board of Directors of the Bank has the option to increase the number of shares available for sale under the Plan. The Plan is described below in a series of questions and answers explaining its significant aspects.

Purpose and Advantages

1. What is the purpose of the Plan?

The purpose of the Plan is to provide holders of 25 or more shares of our common stock with a simple and convenient method of reinvesting cash dividends paid on shares of our common stock and buying additional shares of our common stock without paying brokerage commissions. Also, the Plan provides us with a source of funds and capital when the shares bought by the Plan Administrator for participants are bought directly from us.

2. What are the advantages of the Plan?

The Plan provides participants with the opportunity to reinvest cash dividends paid on all of their shares of our common stock in additional shares of our common stock. In addition, the Plan provides the following advantages:

- The Plan provides eligible participants with the opportunity to make quarterly investments of optional cash amounts or automatic bank withdrawals, subject to minimum and maximum amounts, for the purchase of additional shares of our common stock (see questions 9 – 11).

- No brokerage commissions are paid by participants in connection with any purchase of shares made under the Plan.

- All cash dividends paid on participants' shares can be fully invested in additional shares of our common stock because the Plan permits fractional shares to be credited to Plan accounts. Dividends on such fractional shares, as well as on whole shares, also will be reinvested in additional shares, which will be credited to Plan accounts.

- Periodic statements reflecting all current activity, including share purchases and latest Plan account balance, simplify participants' record keeping.

- The Plan Administrator provides for the safekeeping of stock certificates for shares credited to each Plan account.

Plan Administration

3. Who administers the Plan for participants?

Philadelphia Stock Transfer, Inc., Ardmore, Pennsylvania, our stock transfer agent (hereinafter referred to as the "Plan Administrator"), administers the Plan for participants by maintaining records, sending account statements to participants and performing other duties relating to the Plan. Shares of common stock purchased under the Plan are registered in the name of the Plan Administrator's nominee and are credited to the accounts of the participants in the Plan. The Plan Administrator acts in the capacity as agent for participants in the Plan. We may replace the Plan Administrator at any time within our sole discretion.

The Plan Administrator can be contacted at 2320 Haverford Road, Suite 230, Ardmore, PA 19003, online at www.philadelphiastocktransfer.com, or by calling (866) 223-0448.

Participation

4. Who is eligible to participate?

All holders of record of at least 25 shares of common stock of the Bank are eligible to participate in the Plan, unless otherwise determined by our Board of Directors. Beneficial owners of our common stock may participate by becoming a record owner by having 25 or more shares of our common stock transferred into the beneficial owner's name from that of the broker, bank or other nominee holding shares on behalf of the beneficial owner. The right to participate in the Plan is not transferable to another person apart from a transfer of a participant's shares of common stock of the Bank.

5. How does an eligible shareholder participate?

To participate in the Plan, a shareholder of record must complete an Enrollment Form and return it to the Plan Administrator. Copies of the Enrollment Form may be obtained at any time by written request to the Philadelphia Stock Transfer, Inc., 2320 Haverford Road, Suite 230, Ardmore, PA 18003, www.philadelphiastocktransfer.com, or by calling (866) 223-0448.

6. When may an eligible shareholder join the Plan?

An eligible shareholder of record may enroll in the Plan at any time. If the Enrollment Form is received by the Plan Administrator no fewer than five (5) business days before the date for a dividend payment, and the participant elects to reinvest the dividends in shares of Bank common stock, such reinvestment of dividends will begin with that dividend payment. Please note that the Plan does not represent any change in our dividend policy or a guarantee of the payment of any future dividends.

7. What does the Enrollment Form provide?

The Enrollment Form allows you to indicate whether you want to reinvest dividends paid on all or a specified number of your shares of our common stock, with the option of purchasing additional stock with cash payments.

The Enrollment Form also authorizes the Bank to forward to the Plan Administrator all or a portion (as indicated by you) of the dividends you receive on your Bank common stock to be invested to purchase additional shares of Bank common stock.

8. May a shareholder have dividends reinvested under the Plan with respect to less than all of the shares of common stock registered in the shareholder's name?

Yes. A shareholder of record may reinvest only a portion of his or her cash dividends by indicating that on the Enrollment Form under "Partial Reinvestment in Plan Shares."

Optional Cash Payments

9. How do optional cash payments work?

In order to be eligible to participate in the optional cash purchase feature of the Plan, a shareholder must be an owner of record of at least 25 shares. If an eligible shareholder participant chooses to participate by optional cash payments, the Plan Administrator will apply any optional cash payment received by the Plan Administrator from the participant to the purchase of shares of our common stock for the participant's account. Dividends payable on shares of our common stock purchased with optional cash payments will be automatically reinvested in shares of our common stock. The Plan is designed to preclude any person, organization, or other entity from establishing a series of related accounts for the purpose of conducting arbitrage operations and/or exceeding the optional cash payment limit.

10. How are optional cash payments made?

A cash payment may be made by eligible participants when enrolling by enclosing a check for not less than $100 or more than $5,000 with the Enrollment Form. Optional cash payments may be made by sending a personal check, drawn from a U.S. bank in U.S. currency payable to Philadelphia Stock Transfer, Inc. Thereafter, optional cash payments may be made each quarter by either: (1) sending to the Plan Administrator the participant's check for not less than $100 or more than $5,000, together with the account identification stub furnished by the Plan Administrator; or (2) automatic withdrawals from a bank account in an amount not less than $100 or more than $5,000. Should you wish to make automatic withdrawals from your bank account, please contact the Plan Administrator for the appropriate forms to authorize such withdrawals.

The election to make optional cash payments is available to each eligible participant at any time. Optional cash payments by eligible participants must be at least $100 per calendar quarter and cannot exceed a total of $5,000 in any quarter. The same amount of money need not be sent each quarter and there is no obligation to make an optional cash payment at any time.

11. When will optional cash payments received by the Plan Administrator be invested?

Optional cash payments will be invested on the Investment Date as defined in Question 12 below. Since no interest will be paid by us or the Plan Administrator on optional cash payments, participants are urged to make optional cash payments shortly before the Investment Date. Optional cash payments of at least $100 and not more than $5,000 must be received at least five (5) business days before the Investment Date. It is currently anticipated that automatic withdrawals to make optional cash payments will be made on the third business day prior to each Investment Date.

Eligible participants may request in writing that the Plan Administrator return all or a portion of their uninvested optional cash payments at any time up to two (2) business days before the Investment Date. ***Optional cash payments do not constitute deposits or savings accounts and are not insured by the FDIC or any government agency.***

You may cancel your election to purchase shares of our common stock through the reinvestment of dividends or optional cash payments by sending a written notice to the Plan Administrator after submitting an Enrollment Form to the Plan Administrator. See "Termination of Participation", Question 25 below.

Purchases

12. How will purchases be made?

Shares of common stock of the Bank issued under the Plan may be:

(i) acquired by the Plan Administrator on the open market;

(ii) issued directly by the Bank from authorized but unissued shares;

(iii) issued directly by the Bank from treasury shares; or

(iv) any combination of (i) through (iii) above, at the Bank's discretion.

Open market purchases under the Plan will be made during each calendar quarter on each "Investment Date," which will be the first business day following a dividend payment date or as soon as practicable thereafter, or if no dividend is paid during the quarter, on or as soon as practicable after the last business day of the quarter. Purchases of shares of common stock will be made at the direction of the Plan Administrator. Such purchases will be made in accordance with applicable state and federal securities laws and regulations. No interest or earnings will be paid by the Plan Administrator on dividend payments pending their investment in shares of Bank common stock.

To the extent the Plan Administrator purchases shares of our common stock issued directly by us from authorized but unissued shares or treasury shares, the dividends payable to participants will be retained by the Bank as a consideration for such shares.

In the event applicable law or the closing of securities markets requires temporary curtailment or suspension of open market purchases of the shares of our common stock, the Plan Administrator is not accountable for its inability to make purchases at such time. If shares of Bank common stock are not available for purchase for a period of longer than 30 days from the Investment Date, the Plan Administrator will promptly mail to each participant a check in the amount of any unapplied funds in the participant's account that were received at least five business days prior to the Investment Date.

13. How many shares of common stock will be purchased for participants?

The number of shares that will be purchased for each participant on any Investment Date will depend on the amount of the participant's cash dividend (and any optional cash payment) and the purchase price of shares of Bank common stock. Each participant's account will be credited with that number of shares (including fractional shares computed to four (4) decimal places) equal to the total amount to be invested, divided by the applicable purchase price.

14. What will be the price of shares of common stock purchased under the Plan?

In making purchases of shares of common stock for a participant's account associated with each Investment Date, the Plan Administrator will commingle the participant's funds with those of other participants under the Plan. With respect to shares purchased on the open market, the prices of shares of Bank common stock purchased for participants under the Plan for each Investment Date will be equal to the average price of all shares of the common stock purchased on the Investment Date by the Plan Administrator on behalf of the Plan. With respect to shares purchased directly from the Bank, the price of such shares will be equal to the last sales price for the common stock on the over the counter market through the close of business on the day prior to the relevant Investment Date. **The Plan Administrator shall have no responsibility with respect to the market value of the shares of Bank common stock acquired under the Plan for participant accounts.** The Bank will bear all costs of administering the Plan, except as described under Question 16 below.

15. How are dividends on shares purchased through the Plan applied?

The purpose of the Plan is to provide the participant with a convenient method of purchasing shares of common stock and to have the dividends on those shares reinvested.

Accordingly, dividends paid on shares held in the Plan will be automatically reinvested in additional shares of common stock unless and until the participant elects in writing to terminate participation in the Plan.

Cost To Participants

16. Are there any expenses to participants in connection with purchases under the Plan?

No brokerage fees will be charged to you in connection with the Plan.

The participant will pay the Plan Administrator a fee of $25.00 to withdraw all or part of your shares from the Plan and receive a stock certificate.

At present, all other costs of administration of the Plan will be borne by us*; provided, however,* that we or the Plan Administrator may, in our discretion and with prior written notice to you, require the payment of a service fee in connection with any Plan transaction (including, without limitation, the deposit of certificates, the reinvestment of dividends, the investment of voluntary cash contributions and the issuance of a stock certificate). We or the Plan Administrator may in our discretion, at any time and from time to time, and with prior written notice to you modify the fees charged in connection with Plan transactions.

Reports to Participants

17. How will participants be advised of their purchases of shares of common stock?

As soon practicable after each purchase, each participant will receive an account statement from the Plan Administrator. These statements are the participant's continuing record

of the purchase price of the shares of our common stock acquired and the number of shares acquired under the Plan, and should be retained for tax purposes. Participants also will receive, from time to time, communications sent to all record holders of shares of our common stock.

Dividends

18. Will participants be credited with dividends on shares held in their account under the Plan?

Yes. The participant's account will be credited with dividends paid on whole shares and fractional shares credited to the participant's account. The Plan Administrator will automatically reinvest the cash dividends received for the purchase of additional shares of Bank common stock.

Depositing and Receiving Certificates

19. Will stock certificates be issued for shares of common stock purchased?

The Plan Administrator will hold all shares of common stock purchased under the Plan in the name of its nominee. Normally, certificates for shares of the common stock purchased under the Plan will not be issued to participants. The number of shares credited to an account under the Plan will be shown on the participant's account statement.

The participant may receive certificates for whole shares accumulated in his or her account under the Plan by sending a written request to the Plan Administrator. The fee for such service is set forth in the answer to Question 16 above. Participants may request periodic issuance of certificates for all full shares in the account. When certificates are issued to the participant, future dividends on such shares will be reinvested in additional shares of common stock. Any undistributed shares will continue to be reflected in the participant's account. No certificates representing fractional shares will be issued.

Accounts under the Plan are maintained in the names in which certificates of participants were registered at the time they entered the Plan. Additional certificates for whole shares will be similarly registered when issued.

20. Can a participant deliver common stock certificates to be credited to the participant's Plan account for safekeeping?

As an additional service to Plan participants, you may deposit certificates for shares of common stock held by you with the Plan administrator for safekeeping. If you wish to use this service, you should send your stock certificates to the Plan Administrator at the address set forth in Question 5.

Delivery of certificates is at your risk and, for delivery by mail, insured registered mail with return receipt requested is recommended. The receipt of any shares delivered for safekeeping will be shown on your account statement. Participating shareholders may withdraw

their shares from the Plan Administrator's custody at any time by requesting in writing that a certificate be issued for some or all of the full shares held by it.

21. Can a shareholder pledge Plan shares?

No. You cannot pledge or grant a security interest in your Plan shares unless certificates representing the shares have been issued by the Plan Administrator.

Sale of Shares from the Plan

22. Can I sell shares through the Plan?

You may not sell Plan shares through the Plan. If you wish to sell any shares, you must either withdraw the shares to be sold from your Plan account or completely terminate your participation in the Plan and receive stock certificates for the shares as a result. See Question 19 above – "Will stock certificates be issued for shares of common stock purchased?" and Question 25 below – "How do I terminate participation in the Plan?"

23. Is there any restriction on the transfer of Plan shares held in my account?

Once you have withdrawn the shares to be sold from your plan account, we are aware of no restriction on the transfer of such shares under federal or state securities or banking laws.

24. May participants transfer shares or make a gift of shares held in the Plan?

Participants may transfer ownership of all or part of the shares held in their Plan account as a gift, private sale or otherwise.

If participants are a registered holder of shares, they must deliver to the Plan Administrator their written instructions, together with any signed documents the Plan Administrator may require, along with a "signature medallion guaranteed" irrevocable stock power." A commercial bank, trust company, securities broker-dealer, credit union or savings and loan association which is a member of the Medallion Signature Guarantee Program or other eligible guarantor institution may guarantee signatures. Verification by a notary public is not sufficient. Participants must pay any taxes applicable to the transfer. If participants wish to transfer any shares, they should contact the Plan Administrator by writing to Philadelphia Stock Transfer, Inc., 2320 Haverford Road, Suite 230, Ardmore, PA 19003, by calling toll free at 1-866-223-0448 or by emailing info@philadelphiastocktransfer.com for specific requirements and instructions.

Termination of Participation

25. How do I terminate participation in the Plan?

You may terminate participation in the Plan at any time by giving written notice to the Plan Administrator. Within five (5) days after the date on which such notice is received by the Plan Administrator, the Plan Administrator will issue to you: (i) a certificate for all whole shares

held in your Plan account, (ii) a check representing any uninvested dividends and voluntary cash contributions, and (iii) a check in lieu of the issuance of a fractional share, equal to the fractional shares from your Plan account multiplied by the fair market value per share of the common stock as of the most recent Investment Date.

Other Information

26. What happens if the Bank issues a stock dividend or declares a stock split?

Any shares representing stock dividends or stock splits distributed by the Bank on shares credited to the account of a participant under the Plan will be added to the participant's account. Shares representing stock dividends or split shares distributed on shares registered in the name of the participant will be mailed directly to such participant in the same manner as to shareholders who are not participating in the Plan.

27. How will participant's shares held under the Plan be voted at meetings of shareholders?

Shares credited to the account of a participant under the Plan (other than fractional shares) will be automatically added to the shares covered by the proxy sent to the shareholder with respect to his or her other shares of Bank common stock and may be voted by such holder pursuant to such proxy. The Plan Administrator will forward any proxy solicitation materials relating to the shares of common stock held by the Plan to the participating shareholder.

Where no instructions are received from a participant with respect to a participant's shares held under the Plan, or otherwise, such shares shall not be voted unless the participant votes such shares in person.

28. What are the income tax consequences of participation in the Plan?

In general, a participant in the Plan has the same Federal and state income tax obligations with respect to dividends credited to his or her account under the Plan as other holders of shares of common stock who elect to receive cash dividends directly. A participant is treated for income tax purposes as having received, on the dividend date, a dividend in the amount equal to the fair market value of the shares of common stock credited to his or her account under the Plan, even though that amount was not actually received by the participant in cash, but, instead, was applied to the purchase of additional shares for his or her account. In addition, any brokerage commissions and service charges paid by the Bank on behalf of the participant are deemed to constitute dividend income by the Internal Revenue Service. Such amounts, if any, will be included on any annual information return filed with the Internal Revenue Service, a copy of which will be sent to the participant. See "Material U. S. Federal Income Tax Consequences" herein.

All participants are advised to consult with their own tax advisors to determine the particular tax consequences that may result from their participation in the Plan and the subsequent sale by them of shares purchased pursuant to the Plan.

29. What are the responsibilities of the Bank under the Plan?

The Bank has appointed Philadelphia Stock Transfer, Inc. as the Plan Administrator. The Plan Administrator will purchase and hold the shares of common stock for Plan participants, keep records, send statements and perform other duties as required by the Plan and as may be assigned by the Bank from time to time. The Bank will elect whether shares purchased for Plan accounts will be from authorized but unissued shares, shares held by the Bank as treasury stock, or shares purchased by the Plan Administrator in the open market or in privately negotiated transactions. Pursuant to a participant's authorization, the Bank will pay directly to the Plan Administrator all of the dividends on shares held of record by the participant and shares held by the Plan Administrator under the Plan. The Bank and the Plan Administrator may agree to charge service fees to Plan participants for such services, and in such amounts, as they determine. The Bank may also terminate a participant's participation in the Plan at any time, in its sole discretion

The Bank, and the Plan Administrator in administering the Plan, will not be liable for any act done in good faith or for the good faith omission to act, including, without limitation, any claim of liability arising out of failure to terminate a participant's account upon such participant's death or judicially declared incompetence or with respect to the prices at which shares are purchased for the participant's account, the times that such purchases are made, any loss or fluctuation in the market value after the purchase of the shares, or with respect to any sales of shares of common stock made under the Plan on behalf of the participant.

30. Who bears the risk of market price fluctuations in the shares of common stock?

A participant's investment in shares acquired under the Plan is no different from direct investment in shares of common stock of the Bank. The participant bears the risk of loss and realizes the benefits of any gain from market price changes with respect to all such shares held in the Plan, or otherwise. Neither the Bank nor the Plan Administrator makes any representations with respect to the future value of the shares of Bank common stock purchased under the Plan. The participant should recognize that the Bank, the Plan Administrator and related parties cannot assure the participant of realizing any profits or protect the participant against a loss related to investment in the shares of Bank common stock purchased under the Plan. ***The shares of common stock purchased in accordance with the Plan do not constitute savings accounts or deposits issued by a savings institution or bank and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.***

31. May the Plan be changed or discontinued?

The Plan may be amended, suspended, modified or terminated at any time by our Board of Directors without the approval of the participants. Thirty (30) calendar days' notice of any suspension, termination or amendment or modification that would have a material adverse effect on the participants' rights under the Plan will be sent to all participants, who shall at all times have the right to withdraw from the Plan.

The Bank may terminate a shareholder's individual participation in the Plan at any time by written notice to the shareholder. In such event, the Plan Administrator will request

instructions from the participant for disposition of the shares in the account. If the Plan Administrator does not receive instructions from the participant, it will send the participant a certificate for the number of whole shares held for the participant under the Plan and a check for any fractional share.

32. How is the Plan interpreted?

The Plan, the Enrollment Form and the participant's accounts shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania. Any question of interpretation arising under the Plan shall be determined by our Board of Directors pursuant to applicable federal and state law and the rules and regulations of all regulatory authorities. Such determination shall be final and binding on all participants. We may adopt rules and regulations at any time to facilitate the administration of the Plan.

MATERIAL U. S. FEDERAL INCOME TAX CONSEQUENCES

You are responsible for any taxes that may be payable on dividends, whether they are reinvested under the Plan or paid in cash. Additionally, your pro-rata portion of any brokerage commissions and service fees paid by us to purchase your shares on the open market and any purchase discounts received by you will be treated as taxable income to you.

When the Plan Administrator buys shares with reinvested dividends for Plan accounts in the open market or in privately negotiated transactions, each participant is deemed, for federal income tax purposes, to receive a dividend equal to the total amount of cash used to purchase shares on that participant's behalf, including any trading expense paid by the Bank. When shares are acquired directly from the Bank, the amount of the dividend for federal income tax purposes is the fair market value of the shares.

A participant will not recognize any taxable income when certificates are issued to the participant for shares credited to the participant's Plan account, regardless of whether the certificates are issued upon the participant's request or withdrawal from the Plan, or upon termination of the Plan.

Information returns will be sent to each participant and to the Internal Revenue Service that include the amount of dividends paid to a participant's Plan account, including your pro-rata portion of any brokerage commissions and service fees paid by us in connection with the acquisition of your shares on the open market (i.e., Form 1099-DIV).

The preceding only contains a brief discussion of our understanding of some of the applicable federal income tax provisions related to the Plan. The discussion is general in nature and does not purport to cover every situation. Moreover, it does not include a discussion of state and local income tax consequences of participation in the Plan. For specific information on the tax consequences of participation in the Plan, including any future changes in applicable law or interpretation thereof, participants should consult their own tax advisors.

You will realize a gain or loss whenever you sell shares purchased under the Plan. The amount of gain or loss will be the difference between the amount you receive for your whole shares and your tax basis for the shares. The tax basis of a share acquired directly from the Bank will equal its "fair market value," as defined for federal income tax purposes, on the date we pay the dividend or the date the Plan Administrator buys shares with optional cash payments. The tax basis of a share acquired in the open market or in privately negotiated transactions will equal its purchase price plus any trading expense paid by the Bank.

When the Plan Administrator buys shares only from the Bank, the holding period for shares acquired will begin on the next day after the day we pay the dividend or on the next day after the day the Plan Administrator buys shares with optional cash payments.

When the Plan Administrator buys any shares in the open market or in privately negotiated transactions, the holding period for the shares acquired will begin on the next day after the day when the Plan Administrator allocates shares to participants' accounts.

The foregoing summarizes certain Federal income tax consequences of the Plan and does not include a discussion of state or local tax consequences of the Plan. It does not address the particular circumstances of individual participants. You should consult your own tax advisor for further information on the Federal, state and local income tax consequences of participation in the Plan.

THE BANK

General

The Bank is a Pennsylvania state-chartered commercial bank headquartered in Clarion, Clarion County, Pennsylvania. We were incorporated and began operations as a de novo commercial bank in January 2004. At June 30, 2014, we had total assets, loans, deposits and shareholders' equity of $121.8 million, $89.5 million, $107.4 million and $13.5 million, respectively.

The Bank engages in the business of commercial banking in Clarion, Venango and Northern Armstrong Counties in western Pennsylvania. The Bank was organized to operate as an independent community bank to offer a broad range of deposit and loan products and services to the general public and, in particular, to small and medium-sized businesses, local professionals and individuals residing, working and shopping in the Bank's trade area.

Our deposit product offerings include checking, savings and money market accounts, as well as time deposits. We also offer consumer and commercial credit products. The commercial credit products include loans secured by real estate and other assets, working capital lines, and other commercial loans. The consumer credit products include first mortgage loans, home equity loans and lines of credit, auto loans, and personal loans. We also offer internet banking services, automated teller services, drive-through banking services, night depository services and safe deposit box services.

The Federal Deposit Insurance Corporation ("FDIC") insures our deposits to the fullest extent provided by law. We are not a member of the Federal Reserve System.

The Bank's main office is located at 333 W. Main Street, Clarion, Pennsylvania 16214, and its telephone number is (814) 226-6000. We have additional branch office locations at 308 Broad Street, New Bethlehem, Pennsylvania, and at 592 Main Street, Rimersburg, Pennsylvania, and a loan production office at 1324 Liberty Street, Franklin, Pennsylvania.

Financial Statements

A copy of our 2013 annual report, which includes our audited financial statements for 2013, is incorporated herein by reference and can be found at https://www.clarionbank.com/financial.shtml. Should you desire a paper or electronic copy of our audited financial statements, please contact James L. Kifer, President and Chief Executive Officer, Clarion County Community Bank, 333 Main Street, Clarion, PA 16214 or by telephone at (814) 226-6000. We will deliver a copy of our annual report for each subsequent year, which will include our audited financial statements for such year, to each shareholder of record within 120 days after the close of our fiscal year.

Capital

The Bank is subject to various regulatory capital requirements established by the FDIC and the Pennsylvania Department of Banking and Securities. Failure to meet minimum capital requirements can result in the initiation of certain mandatory and additional discretionary actions by such bank regulators. The Bank's regulatory capital ratios are set forth in the footnotes to the Bank's audited financial statements (See "Financial Statements" above).

Management

Information regarding our directors and executive officers is included in the proxy statement for the most recent annual meeting of shareholders that is incorporated herein by reference and can be found at https://www.clarionbank.com/financial.shtml. Should you desire a paper or electronic copy of our most recent proxy statement, please contact James L. Kifer, President and Chief Executive Officer, Clarion County Community Bank, 333 Main Street, Clarion, PA 16214 or by telephone at (814) 226-6000. We will deliver a copy of our proxy statement for each subsequent annual meeting of shareholders to each shareholder of record prior to such annual meeting. Such proxy statements include important information concerning:

- Biographical information about our directors and executive officers;
- Common stock owned by our directors and executive officers;
- Persons who own beneficially more than 5% of our outstanding common stock;
- Information about the committees of the Bank's Board of Directors;

- Information about stock option grants and exercises; and
- Any transactions conducted between any of our directors or executive officers and the Bank or any of its subsidiaries.

Legal Proceedings

The Bank is not a party to or the subject of any pending material legal proceedings as of the date of this offering circular. From time to time the Bank is a party to ordinary routine litigation incidental to the Bank's business.

Limitation of Liability and Indemnification

Our Bylaws provide that a director is not personally liable for monetary damages as such for any act taken, or any failure to take action, unless the director has breached or failed to perform the duties of his office and such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. This provision does not eliminate the personal monetary liability of a director where the director is responsible or liable pursuant to any criminal statute or for the payment of taxes pursuant to local, state, or federal law.

Indemnification provisions in our bylaws provide for the mandatory indemnification by the Bank of our directors and officers against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and reasonably incurred by such person in connection with any action, suit, or proceeding to which such person was or is a party or is threatened to be made a party by reason of the fact that such person is or was a director or officer of the Bank; provided, however, that no indemnification shall be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

The Bank also maintains liability insurance covering our directors, officers and employees.

SUPERVISION AND REGULATION OF THE BANK

General

The Bank is a Pennsylvania chartered commercial bank, and its deposits are insured (up to applicable limits) by the Federal Deposit Insurance Corporation (the "FDIC"). The Bank is subject to regulation and examination by the Pennsylvania Department of Banking and by the FDIC. Each of these agencies regulates aspects of activities conducted by the Bank, as discussed below. The Bank is not a member of the Federal Reserve Bank of Philadelphia.

The Bank operates within a system of banking laws and regulations intended to protect bank customers and depositors, and these laws and regulations govern the permissible operations and management, activities, reserves, loans and investments of the Bank. The following descriptions summarize the key laws and regulations to which the Bank is subject. These

descriptions are not intended to be complete and are qualified in their entirety by reference to the full text of the statutes and regulations. Future changes in these laws and regulations, or in the interpretation and application thereof by their administering agencies, cannot be predicted, but could have a material effect on the business and results of the Bank.

Deposit Insurance

The FDIC charges premiums or "assessments" to pay for the deposit insurance provided. Pursuant to the Dodd-Frank Act, these assessments are based on the average total assets of a bank minus the bank's average tangible equity.

Deposit insurance assessments are "risk based," in that the riskier a bank's perceived business activities, the higher deposit insurance rate it has to pay. All banks are assigned to one of four "risk categories" by the FDIC, pursuant to their capital levels and examination results. The assignment to a particular risk category is made by the FDIC each quarter based on the most recent information available. Then, the FDIC applies certain adjustments to each bank based on its specific asset attributes to determine a final assessment ratio. As discussed above, these assessments are based on assets, not deposits, and the assessment rates will range from 2.5 basis points to 45 basis points. (The actual dollar amount paid by each small bank is expected to be very close to the amounts paid when the assessment base was composed of deposits). In addition, the assessment rate for large banks (those over $10 billion in assets) is derived from a formula that that further takes into account specific activities and asset quality of a particular bank. Our bank is well below the $10 billion threshold for this additional assessment calculation.

The Dodd Frank Act requires the deposit insurance fund to reach a reserve level of 1.35% of all insured deposits by September 2020, and authorizes the FDIC to implement changes in assessment rates in order to achieve such level. The Dodd Frank Act authorizes the FDIC to establish a "designated reserve ratio" (which the FDIC has now set at 2.0%), and to reduce or eliminate assessments if the designated reserve ratio is met. If the deposit fund reserve ratio is 2.5% or more, the FDIC is authorized, but not required, to return assessments to banks. Given that most experts believe that the deposit fund will continue to incur losses over the short term for bank failures that have occurred and will occur from the financial crisis, it is expected that all banks will have to pay significant amounts of deposit insurance assessments for the foreseeable future, with little likelihood of reductions in deposit insurance assessments (or return of assessments paid) unless there is a material improvement in the economy and the health of the financial industry.

Capital Requirements

The Bank is subject to the regulatory capital requirements administered by the FDIC. The federal regulatory authorities' previous risk-based capital guidelines, which continue in effect until 2015, are based upon the 1988 capital accord ("Basel I") of the Basel Committee on Banking Supervision (the "Basel Committee"). The Basel Committee is a committee of central banks and bank supervisors/regulators from the major industrialized countries that develops broad policy guidelines for use by each country's supervisors in determining the supervisory

policies they apply. The requirements are intended to ensure that banking organizations have adequate capital given the risk levels of assets and off-balance sheet financial instruments. Under the requirements, banking organizations are required to maintain minimum ratios for Tier 1 capital and total capital to risk-weighted assets (including certain off-balance sheet items, such as letters of credit). For purposes of calculating the ratios, a banking organization's assets and some of its specified off-balance sheet commitments and obligations are assigned to various risk categories. A depository institution's capital, in turn, is classified in one of two tiers, depending on type:

- Core Capital (Tier 1). Tier 1 capital includes common equity, retained earnings, qualifying non-cumulative perpetual preferred stock, minority interests in equity accounts of consolidated subsidiaries (and, under existing standards, a limited amount of qualifying trust preferred securities and qualifying cumulative perpetual preferred stock at the holding company level), less goodwill, most intangible assets and certain other assets.

- Supplementary Capital (Tier 2). Tier 2 capital includes, among other things, perpetual preferred stock and trust preferred securities not meeting the Tier 1 definition, qualifying mandatory convertible debt securities, qualifying subordinated debt, and allowances for loan and lease losses, subject to limitations.

The Bank, like other banks, currently is required to maintain Tier 1 capital and "total capital" (the sum of Tier 1 and Tier 2 capital) equal to at least 4.0% and 8.0%, respectively, of its total risk-weighted assets (including various off-balance-sheet items, such as letters of credit) under capital adequacy guidelines. In addition, for a depository institution to be considered "well capitalized" under the regulatory framework for prompt corrective action, its Tier 1 and total capital ratios must be at least 6.0% and 10.0% on a risk-adjusted basis, respectively.

Banks are also currently required to comply with minimum leverage ratio requirements. The leverage ratio is the ratio of a banking organization's Tier 1 capital to its total adjusted quarterly average assets (as defined for regulatory purposes). The requirements necessitate a minimum leverage ratio of 3.0% for banks that either have the highest supervisory rating or have implemented the appropriate federal regulatory authority's risk-adjusted measure for market risk. All other banks are required to maintain a minimum leverage ratio of 4.0%, unless a different minimum is specified by an appropriate regulatory authority. In addition, for a depository institution to be considered "well capitalized" under the regulatory framework for prompt corrective action, its leverage ratio must be at least 5.0%. At June 30, 2014, the Bank meets all of the three capital ratio requirements and is considered "well capitalized."

Basel III Capital Rules. In July 2013, the Bank's primary federal regulator, the FDIC, published the Basel III Capital Rules establishing a new comprehensive capital framework for U.S. banking organizations. The rules implement the Basel Committee's December 2010 framework known as "Basel III" for strengthening international capital standards as well as certain provisions of the Dodd Frank Act. The Basel III Capital Rules substantially revise the risk-based capital requirements applicable to depository institutions, including the Bank, compared to the current U.S. risk-based capital rules. The Basel III Capital Rules define the

components of capital and address other issues affecting the numerator in banking institutions' regulatory capital ratios. The Basel III Capital Rules also address risk weights and other issues affecting the denominator in banking institutions' regulatory capital ratios and replace the existing risk-weighting approach, which was derived from the Basel I capital accords of the Basel Committee, with a more risk-sensitive approach based, in part, on the standardized approach in the Basel Committee's 2004 "Basel II" capital accords. The Basel III Capital Rules also implement the requirements of Section 939A of the Dodd-Frank Act to remove references to credit ratings from the federal banking agencies' rules. The Basel III Capital Rules are effective for the Bank on January 1, 2015 (subject to a phase-in period).

The Basel III Capital Rules, among other things, (i) introduce a new capital measure called "Common Equity Tier 1" ("CET1"), (ii) specify that Tier 1 capital consists of CET1 and "Additional Tier 1 capital" instruments meeting specified requirements, (iii) define CET1 narrowly by requiring that most deductions/adjustments to regulatory capital measures be made to CET1 and not to the other components of capital and (iv) expand the scope of the deductions/adjustments as compared to existing regulations.

When fully phased in on January 1, 2019, the Basel III Capital Rules will require the Bank to maintain (i) a minimum ratio of CET1 to risk-weighted assets of at least 4.5%, plus a 2.5% "capital conservation buffer" (which is added to the 4.5% CET1 ratio as that buffer is phased in, effectively resulting in a minimum ratio of CET1 to risk-weighted assets of at least 7% upon full implementation), (ii) a minimum ratio of Tier 1 capital to risk-weighted assets of at least 6.0%, plus the capital conservation buffer (which is added to the 6.0% Tier 1 capital ratio as that buffer is phased in, effectively resulting in a minimum Tier 1 capital ratio of 8.5% upon full implementation), (iii) a minimum ratio of total capital (that is, Tier 1 plus Tier 2) to risk-weighted assets of at least 8.0%, plus the capital conservation buffer (which is added to the 8.0% total capital ratio as that buffer is phased in, effectively resulting in a minimum total capital ratio of 10.5% upon full implementation) and (iv) a minimum leverage ratio of 4%, calculated as the ratio of Tier 1 capital to average assets (as compared to a current minimum leverage ratio of 3% for banking organizations that either have the highest supervisory rating or have implemented the appropriate federal regulatory authority's risk-adjusted measure for market risk).

The aforementioned capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of CET1 to risk-weighted assets above the minimum but below the conservation buffer (or below the combined capital conservation buffer and countercyclical capital buffer, when the latter is applied) will face constraints on dividends, equity repurchases and compensation based on the amount of the shortfall.

Under the Basel III Capital Rules, the initial minimum capital ratios as of January 1, 2015 will be as follows: 4.5% CET1 to risk-weighted assets; 6.0% Tier 1 capital to risk-weighted assets; and 8.0% total capital to risk-weighted assets.

The Basel III Capital Rules provide for a number of deductions from and adjustments to CET1. These include, for example, the requirement that mortgage servicing rights, deferred tax assets arising from temporary differences that could not be realized through net operating loss

carrybacks and significant investments in non-consolidated financial entities be deducted from CET1 to the extent that any one such category exceeds 10% of CET1 or all such categories in the aggregate exceed 15% of CET1. Under current capital standards, the effects of accumulated other comprehensive income items included in capital are excluded for the purposes of determining regulatory capital ratios. Under the Basel III Capital Rules, the effects of certain accumulated other comprehensive items are not excluded; however, non-advanced approaches banking organizations, including the Bank, may make a one-time permanent election to continue to exclude these items. The Bank expects to make this election in order to avoid significant variations in the level of capital depending upon the impact of interest rate fluctuations on the fair value of the Bank's available-for-sale securities portfolio.

Implementation of the deductions and other adjustments to CET1 will begin on January 1, 2015 and will be phased-in over a four-year period (beginning at 40% on January 1, 2015 and an additional 20% per year thereafter). The implementation of the capital conservation buffer will begin on January 1, 2016 at the 0.625% level and be phased in over a four-year period (increasing by that amount on each subsequent January 1, until it reaches 2.5% on January 1, 2019). The Basel III Capital Rules also revise the "prompt corrective action" regulations pursuant to Section 38 of the Federal Deposit Insurance Act, as discussed below under "Prompt Corrective Action."

The Basel III Capital Rules prescribe a standardized approach for risk weightings that expand the risk-weighting categories from the current four Basel I-derived categories (0%, 20%, 50% and 100%) to a much larger and more risk-sensitive number of categories, depending on the nature of the assets, generally ranging from 0% for U.S. government and agency securities, to 600% for certain equity exposures, and resulting in higher risk weights for a variety of asset categories. Specific changes to current rules impacting the Bank's determination of risk-weighted assets include, among other things:

- Applying a 150% risk weight instead of a 100% risk weight for certain high volatility commercial real estate acquisition, development and construction loans.

- Assigning a 150% risk weight to exposures (other than residential mortgage exposures) that are 90 days past due.

- Providing for a 20% credit conversion factor for the unused portion of a commitment with an original maturity of one year or less that is not unconditionally cancellable (currently set at 0%).

- Providing for a risk weight, generally not less than 20% with certain exceptions, for securities lending transactions based on the risk weight category of the underlying collateral securing the transaction.

In addition, the Basel III Capital Rules provide more advantageous risk weights for derivatives and repurchase-style transactions cleared through a qualifying central counterparty and increase the scope of eligible guarantors and eligible collateral for purposes of credit risk mitigation.

Management believes that, on a pro forma basis as of June 30, 2014, the Bank would meet all capital adequacy requirements under the Basel III Capital Rules on a fully phased-in basis as if such requirements were currently in effect.

Dividend Restrictions

Dividend payments made by the Bank are subject to the Pennsylvania Banking Code, the Federal Deposit Insurance Act, and the regulations of the FDIC. Under the Banking Code, no dividends may be paid except from "accumulated net earnings" (generally, retained earnings). The FDIC has formal and informal policies which provide that insured banks should generally pay dividends only out of current operating earnings, with some exceptions. The Prompt Corrective Action Rules, described below, further limit the ability of banks to pay dividends if they are not classified as well capitalized or adequately capitalized.

Prompt Corrective Action

The FDIA requires among other things, the federal banking agencies to take "prompt corrective action" in respect of depository institutions that do not meet minimum capital requirements. The FDIA includes the following five capital tiers: "well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized" and "critically undercapitalized." A depository institution's capital tier will depend upon how its capital levels compare with various relevant capital measures and certain other factors, as established by regulation. The relevant capital measures are the total capital ratio, the Tier 1 capital ratio and the leverage ratio. These definitions will be adjusted as required to reflect the new capital rules that will be effective January 1, 2015, as discussed below.

An institution may be downgraded to, or deemed to be in, a capital category that is lower than indicated by its capital ratios if it is determined to be in an unsafe or unsound condition or if it receives an unsatisfactory examination rating with respect to certain matters. A bank's capital category is determined solely for the purpose of applying prompt corrective action regulations, and the capital category may not constitute an accurate representation of the bank's overall financial condition or prospects for other purposes.

The FDIA generally prohibits a depository institution from making any capital distributions (including payment of a dividend) or paying any management fee to its parent holding company if the depository institution would thereafter be "undercapitalized." "Undercapitalized" institutions are subject to growth limitations and are required to submit a capital restoration plan. The agencies may not accept such a plan without determining, among other things, that the plan is based on realistic assumptions and is likely to succeed in restoring the depository institution's capital. If a depository institution fails to submit an acceptable plan, it is treated as if it is "significantly undercapitalized."

"Significantly undercapitalized" depository institutions may be subject to a number of requirements and restrictions, including orders to sell sufficient voting stock to become "adequately capitalized," requirements to reduce total assets, and cessation of receipt of deposits

from correspondent banks. "Critically undercapitalized" institutions are subject to the appointment of a receiver or conservator.

The appropriate agency is also permitted to require an adequately capitalized or undercapitalized institution to comply with the supervisory provisions as if the institution were in the next lower category (but not treat a significantly undercapitalized institution as critically undercapitalized) based on supervisory information other than the capital levels of the institution.

The Bank believes that, as of June 30, 2014, it was "well capitalized" based on the aforementioned ratios.

The Basel III Capital Rules revise the current prompt corrective action requirements effective January 1, 2015 by (i) introducing a CET1 ratio requirement at each level (other than critically undercapitalized), with the required CET1 ratio being 6.5% for well-capitalized status; (ii) increasing the minimum Tier 1 capital ratio requirement for each category (other than critically undercapitalized), with the minimum Tier 1 capital ratio for well-capitalized status being 8% (as compared to the current 6%); and (iii) eliminating the current provision that provides that a bank with a composite supervisory rating of 1 may have a 3% leverage ratio and still be adequately capitalized. The Basel III Capital Rules do not change the total risk-based capital requirement for any prompt corrective action category.

Unsafe and Unsound Practices

Notwithstanding its Prompt Corrective Action Regulations category dictated by risk-based capital ratios, the FDIA permits the appropriate bank regulatory agency to reclassify the capital category of an institution if it determines, after notice and a hearing, that the condition of the institution is unsafe or unsound, or if it deems the institution to be engaging in an unsafe or unsound practice. Also, if a federal regulatory agency with jurisdiction over a depository institution believes that the depository institution will engage, is engaging, or has engaged in an unsafe or unsound practice, the regulator may require that the bank cease and desist from such practice, following notice and a hearing on the matter.

The USA PATRIOT Act

The USA PATRIOT Act of 2001 is comprehensive anti-terrorism legislation applicable to all financial institutions. Title III of the USA PATRIOT Act substantially broadened the scope of the U.S. anti-money-laundering laws and regulations by imposing significant new compliance and due diligence obligations on financial institutions, creating new crimes and penalties and expanding the extra-territorial jurisdiction of the United States. The Treasury has issued a number of implementing regulations which apply various requirements of the USA PATRIOT Act to financial institutions such as the Bank. Those regulations impose new obligations on financial institutions to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing.

Failure of a financial institution to comply with the USA PATRIOT Act's requirements could have serious legal consequences for the institution and adversely affect its reputation. The

Bank has adopted appropriate policies, procedures and controls to address compliance with the requirements of the USA PATRIOT Act under the existing regulations and will continue to revise and update its policies, procedures and controls to reflect changes required by the USA PATRIOT Act and by Treasury regulations.

Community Reinvestment Act

The Federal Community Reinvestment Act ("CRA") requires banks to respond to the full range of credit and banking needs within their communities, including the needs of low and moderate-income individuals and areas. A bank's failure to address the credit and banking needs of all socio-economic levels within its markets may result in restrictions on growth and expansion opportunities for the bank, including restrictions on new branch openings, relocation, formation of subsidiaries, mergers and acquisitions. Upon completion of a CRA examination, an overall CRA rating is assigned using a four-tiered rating system. These ratings are: Outstanding, Satisfactory, Needs to Improve, and Substantial Noncompliance.

In the latest CRA performance evaluation examination report with respect to the Bank, dated November 12, 2013, the Bank received a rating of Satisfactory.

Consumer Privacy

In addition to fostering the development of "financial holding companies," the Gramm-Leach-Bliley Act modified laws relating to financial privacy. Its financial privacy provisions generally prohibit financial institutions, including the Bank, from disclosing or sharing nonpublic personal financial information to third parties for marketing or other purposes not related to transactions, unless customers have an opportunity to "opt out" of authorizing such disclosure, and have not elected to do so. It has never been the policy of the Bank to release such information except as may be required by law.

Loans to One Borrower

Federal banking laws limit the amount a bank may lend to a single borrower to 15% of the bank's capital base, unless the entire amount of the loan is secured by adequate amounts of readily marketable collateral. However, no loan to one borrower may exceed 25% of a bank's statutory capital, notwithstanding collateral pledged to secure it.

The Pennsylvania Banking Code provides that the aggregate indebtedness of any one borrower to a Pennsylvania chartered bank may not exceed 15.0% of the bank's capital, surplus, undistributed profits, capital securities and reserve for loan losses. Based on our financial statements at June 30, 2014, our "one borrower's indebtedness limitation" was $2.0 million. We may engage in loan participations with other banks for loans in excess of that lending limit. However, no assurance can be given that such participations will be available at all or that terms would be favorable to us or our customers.

DESCRIPTION OF OUR COMMON STOCK

The authorized capital stock of the Bank consists of 10,000,000 shares of common stock, par value $1.00 per share, and 1,000,000 shares of preferred stock, no par value per share.

Common Stock

Authorized, but unissued, shares of common stock may be issued by the Board of Directors without further shareholder approval. Issuance of additional shares will cause a dilution of the book value of the common stock and of the voting power of existing shareholders of the Bank. The holders of the common stock are entitled to one vote per share on all matters presented to them.

Holders of our common stock do not have preemptive rights and the shares are non-assessable. Each shareholder is entitled to receive any dividends that may be declared by the Board of Directors and to share pro rata in the event of dissolution or liquidation, after the satisfaction of claims of creditors, including depositors, and of shareholders of preferred stock, if any.

Preferred Stock

Our articles of incorporation authorize the Board of Directors, by resolution, to issue preferred shares and to determine, with respect to each such series, the voting powers, if any, designations, preferences and relative, participation, optional or other special rights, and the qualifications, limitations or restrictions applicable thereto.

Although no preferred stock is issued or outstanding as of the date of this offering circular and the Board of Directors has no intention, as of the date of this offering circular, to issue preferred shares, the Board of Directors does have the authority under our articles of incorporation to issue preferred shares at any time and without shareholder approval.

Anti-Takeover Provisions

Our articles of incorporation and bylaws contain several provisions that may be deemed to be "anti-takeover" in nature. The overall effect of these provisions may be to deter a future offer to acquire the Bank that a majority of the shareholders might view to be in their best interests as the offer could include a substantial premium over the market price of our common stock at that time. In addition, these provisions may have the effect of assisting the Bank's management in retaining its position and placing it in a better position to resist changes that the shareholders may want to make if dissatisfied with the conduct of the business.

These provisions include:

No Cumulative Voting. Cumulative voting rights do not exist with respect to the election of directors pursuant to our articles of incorporation. Cumulative voting rights mean that each shareholder has the right to multiply the number of votes to which he or she is entitled by the number of directors to be elected, and to cast the whole number of these votes for one candidate

or to distribute all or fewer of them among two or more candidates. The Board of Directors did not provide for cumulative voting because it believes that each director should represent and act in the interest of all shareholders and not any special group of shareholders. However, the Board of Directors recognizes that the absence of cumulative voting may make it more difficult to gain representation on the Board of Directors and the denial of this right may serve as an anti-takeover defense.

Supermajority Vote of Shareholders Required for Certain Actions. Our articles of incorporation provide that unless the action has been approved by 80% of the members of the Board of Directors before the shareholders are solicited to approve such action, the affirmative vote of the holders of at least 80% of the outstanding shares of common stock is required to approve any amendment of Articles VII, VIII or XI of the Bank's articles of incorporation. These Articles provide for a classified board and the amendment of the articles of incorporation, and prohibit cumulative voting. This supermajority clause ensures that any amendment of the Bank's articles of incorporation can be effected only if it receives a clear mandate from the shareholders if it has not been approved by 80% of the members of the Board of Directors. However, these provisions give our directors the power to make the amendment of the articles listed above, regardless of whether the amended is desired by, or beneficial to, a majority of the shareholders more difficult to approve, which may assist the directors in retaining their positions.

Classified Board of Directors. In accordance with our articles of incorporation, shareholders elect directors in three (3) separate classes, each for a term of three (3) years. The number of directors in each class is to be as nearly equal as possible. Shareholders elect each class in a separate election. At each annual meeting of shareholders, the shareholders will elect successors to the class of directors whose term is then expiring to hold office for a term of three (3) years. Under our bylaws, the Board of Directors has the power to fill vacancies that occur during the year for the remainder of the full term. With only one-third of the directors eligible for election at each annual meeting, it would require any potential acquirer of the Bank to wait for two annual meetings of shareholders to occur before such acquirer could elect a majority of the Board of Directors. This extension of time may tend to discourage a tender offer or takeover bid that is opposed by our Board of Directors.

Removal of Directors by Shareholders. Our Bylaws provide that a director or the entire Board of Directors may only be removed by the shareholders for "cause" and only with the vote of shareholders entitled to vote at least a majority of the votes that all shareholders are entitled to cast at any annual election of directors. "Cause" is defined as any of the following events: (i) the director has been judicially declared incompetent; (ii) the director has been convicted of a felony; (iii) if within sixty (60) days after notice of his or her election, the director does not accept such office either in writing or by attending a meeting of the board of directors and fulfilling such other requirements of qualification as these bylaws or the articles of incorporation may provide; (iv) the director is ineligible for any reason to serve as a director of the Bank; or (v) the director commits fraudulent or dishonest acts or engages in gross abuse of authority or discretion in the affairs of the Bank.

The Board of Directors has no present plans to adopt any other "anti-takeover" provisions. No other protection against takeover attempts exist other than the approval of the

regulatory authorities that would prohibit an outside party from gaining control of the Bank. However, these plans may change at the discretion of the Board of Directors if circumstances warrant.

WHERE YOU CAN FIND MORE INFORMATION

You can obtain more information regarding the Bank by visiting our website at www.clarionbank.com. Information contained on our website is not incorporated by reference into this offering circular, and such information should not be considered to be part of this offering circular. Any shareholder, including any beneficial owner, to whom this offering circular is delivered may request copies of annual reports and proxy statements of the Bank and other publicly available information regarding the Bank, without charge, by written request directed to James L. Kifer, President and Chief Executive Officer, Clarion County Community Bank, 333 Main Street, Clarion, PA 16214 or by telephone at 814-226-6000.